

MINUTES OF THE MEETING
HEALTH SERVICES COUNCIL

DATE: 25 July 2006

TIME: 2:30 PM

LOCATION: Health Policy Forum

ATTENDANCE:

Council: Present: Edward F. Almon, Raymond Coia, Esq., John W. Flynn, Rosemary Booth Gallogly, Maria R. Gil, Sen. Catherine E. Graziano, RN, Ph.D., Robert S.L. Kinder, MD, Richard Lepine, Denise Panichas, Robert J. Quigley, DC, (Chair), Larry Ross, Reverend David Shire

Not Present: Joseph V. Centofanti, MD, Wallace Gernt, John Young

Excused Absence: Victoria Almeida, Esq., (Vice Chair), Robert L. Bernstein, John Kiemig, Robert Ricci, Robert Whiteside

Staff: Michael K. Dexter, Joseph G. Miller, Esq., Donald C. Williams

1. Call to Order, Approval of Minutes, Time Extension for the Minutes Availability, and Conflict of Interest Forms

The meeting was called to order at 2:30 PM. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The minutes of the 30 May 2006 meeting of the Health Services Council were approved as submitted. The Chairman requested a motion for the extension of time for the availability of minutes pursuant to the Open Meetings Act. A motion was made, seconded and passed by twelve in favor and none opposed (12-0) that the availability of the minutes for this meeting be extended beyond the time frame provided for under the Open Meetings Act. Those members voting in favor were: Almon, Coia, Flynn, Gallogly, Gil, Graziano, Kinder, Lepine, Panichas, Quigley, Ross, Shire.

2. General Order of Business

The first item on the agenda was the Report of the Committee of the Health Services Council on the application for change in effective control of East Providence Medical Center, Inc. located at 525 Taunton Avenue in East Providence. Staff summarized the application and the committee deliberations on this matter.

A motion was made, seconded and passed by a vote of twelve in favor, none opposed (12-0) to recommend that the application be approved. Those members voting in favor of the motion were: Almon, Coia, Flynn, Gallogly, Gil, Graziano, Kinder, Lepine, Panichas,

Quigley, Ross, Shire.

The next item on the agenda was the Addendum to the Report of the Health Services Council on the application of Bayside Endoscopy Center, LLC to establish a freestanding ambulatory surgical center at 1351 South County Trail in East Greenwich. Staff summarized committee deliberations on this matter.

A motion was made, seconded and passed by a vote of twelve in favor, none opposed (12-0) to recommend that the change order be approved. Those members voting in favor of the motion were: Almon, Coia, Flynn, Gallogly, Gil, Graziano, Kinder, Lepine, Panichas, Quigley, Ross, Shire.

The next item on the agenda was the Report of the Committee of the Health Services Council on the application of South County Hospital Healthcare System for a Certificate of Need to construct a 10-bed Orthopedic/Airborne Infection Isolation unit and relocate and renovate the ICU. Staff summarized committee deliberations on this matter.

To a question, the applicant stated that they believe there is sufficient growth for the 10-bed unit to attain 80% occupancy by 2009.

A motion was made, seconded and passed by a vote of twelve in

favor, none opposed (12-0) to recommend that the application be approved. Those members voting in favor of the motion were: Almon, Coia, Flynn, Gallogly, Gil, Graziano, Kinder, Lepine, Panichas, Quigley, Ross, Shire.

The next item on the agenda was Addendum to the Report of the Health Services Council on the application of Wayland Square Surgicare to establish a freestanding ambulatory surgical center.

To Ms. Rocha's, legal counsel to the applicant, comments on charity care, the Chairman stated that the department is working on a policy to address this issue that all would have to adhere. Mr. Williams, Associate Director of Health Services Regulation, stated that the department is developing draft policies for all health care facilities to be more consistent regarding charity care.

Ms. Rocha addressed the issue of differences in charity care requirements among the different applicants. Mr. Williams noted that regulations would apply to everyone.

Mr. Miller, legal counsel to the department, stated that each application is being addressed with respect to the facts and circumstances of that particular application and sometimes they may be the same and sometimes they may be different.

Staff noted that the department promulgated regulations with respect to charity care for hospitals as of last month. Staff noted and read from a press release regarding the signed agreement between the department and Wayland Square Surgical with respect to retrospective issue of charity care. The agreement is \$100,000 in cash and another \$100,000 in medical equipment which is to be supplied over the next 12 month period to one or more charitable entities in Rhode Island whose mission is to provide healthcare services to the medically indigent.

The Chairman noted that he would have preferred more of the charity care provided as hands on doctor to patient procedures so that treatment would be taken care of.

Staff stated that charity care data was requested from the applicant, which was in the letter dated June 30th from Ann Dugan. Staff summarized committee deliberations on this change order. Staff noted that the applicant is requesting that it be relieved on a go forward basis of the 5% requirement. At the meeting of June 15, 2006 the motion was made to substitute in place of the 5% free care language, language that was contained in a draft document that William Waters had presented at that meeting with respect to the issue of charity care. In place of the 5%, the following was proposed, “that on an annual basis the facilities shall allocate at least 1% of net patient revenue to charity care in the form of direct service.” Additionally conditions included the requirement that the facility shall

post their charity care policies on their website, that the facility shall report their charity care performance to the Department of Health on an annual basis in a manner determined by the Director of Health, that the facility shall provide charity care to uninsured Rhode Island residents that are at or below 200% of the poverty level, and that the facility shall demonstrate compliance with these minimum charity care requirements at the time of application for relicensure.

Ms. Rocha introduced Ann Dugan, Administrator of Wayland Square and Jerry Henderson, Vice President of Surgery Operations at Healthsouth.

With regards to changing the percentage requirement, the Chairman stated that he is opposed to deleting the 1%. Rev. Shire stated that a lot of negotiating went into getting to this point and he would like to see 1% requirement remain. He stated that think the for-profit medical facilities have a responsibility to the poor of the community.

Mr. Williams stated that uniformity is an issue. He suggested that the Council decline taking action on this matter.

Staff noted that the current requirement is that the applicant provide 5% of surgeries as free care.

Ms. Rocha noted that the applicant is planning on filing change in effective control application and wanted to know how those would be

affected if no action was taken by Council.

To a question by the Chairman as to how this should be handled, Mr. Miller stated that the Council should continue today's hearing.

A motion was made and seconded to postpone taking action on this matter and continue today's hearing. Those members voting in favor of the motion were: Almon, Coia, Flynn, Gallogly, Gil, Graziano, Kinder, Lepine, Panichas, Quigley, Ross, Shire.

To staff questions if Wayland's agreement with Rhode Island Free Clinic is still in place, Ms. Rocha answered yes.

3. Adjournment

There being no further business the meeting was adjourned at 3:30 PM.

Respectfully submitted,

Valentina D. Adamova